COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED RESTRUCTURING AND

REPRICING OF SOUTH CENTRAL BELL

TELEPHONE COMPANY'S PRIVATE LINE

SERVICES AND ACCESS SERVICES TARIFF

CASE NO. 10477

O R D E R

On December 15, 1988, South Central Bell Telephone Company ("SCB") filed two motions, a Motion for Deviation From Rules and a Confidentiality Petition Pursuant to 807 KAR 5:001, Section 7. On January 3, 1989, the Independent Telephone Group ("ITG") filed a Motion to Modify Order of December 21, 1988. The Commission will address each of these motions.

SCB has requested that it be permitted to deviate from 807 KAR 5:001, Section 10(1)(a), which requires the filing of financial exhibits and from 807 KAR 5:001, Section 10(1)(c), which requires a description of the applicant's property. In support of its request, SCB states that this proceeding is not a general rate case and that the requested rate changes will be revenue neutral viewed from a company-wide basis. Further, SCB states that its current earnings and rate base have been recently reviewed by the Commission in Case No. 10105. SCB also alleges its application

Case No. 10105, Investigation of the Kentucky Intrastate Rates of South Central Bell Telephone Company, Inc.

adequately describes the impact of the proposed tariff changes on SCB's current earnings.

The Commission, having reviewed the motion and being sufficiently advised, finds that the request is reasonable and the motion should be granted.

SCB requests the Commission grant confidential treatment to the cost support information filed with the application. In support of this motion SCB alleges that the information was developed at its own expense, that it identifies the cost associated with the provision of competitive services, and that its disclosure could harm SCB's competitive position in the marketplace.

The Commission, having reviewed the motion and the cost support information and being sufficiently advised, is of the opinion and finds that the motion for confidential treatment should be granted.

The ITG has requested that the Commission modify its December 21, 1988 Order requiring all local exchange companies that concur in SCB's private line services tariff and access services tariff to notify their subscribers of SCB's proposed rate changes. Specifically, the ITG requests the following modifications: 1) that the Commission eliminate the notification process for SCB's proposed intraLATA special access tariffs; 2) that the Commission eliminate the notification process for intraLATA interexchange private line tariff changes except for those customers which the ITG members bill for private line circuits; 3) that the Commission clarify that if ITG members do not concur in SCB's private line tariffs for intraexchange private lines that there are no

notification requirements; and 4) that the Commission extend the time for ITG members to supply proposed notice for 20 days following the Commission's response to this motion.

The Commission, having considered this motion and being sufficiently advised, is of the opinion that each of the four requests is reasonable and should be granted.

BE IT SO ORDERED.

Done at Frankfort, Kentucky, this 30th day of January, 1989.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Miller

ATTEST: